The Complete Guide to Shared Service Centers

How Global Enterprises Are Streamlining Operations, Cutting Costs, and Scaling Innovation Through Centralised Services

Published by Inductus GCC | GCC Strategy • Shared Services • Global Operations

Introduction

Businesses around the world are under constant pressure to do more with less. Whether it is managing a global workforce, handling complex financial operations, or keeping IT systems running 24/7, the operational burden on large organisations has never been greater. One of the most powerful responses to this challenge is the **shared service center** — a model that has quietly transformed how Fortune 500 companies and high-growth startups alike operate.

In simple terms, a shared service center brings together common business functions under one roof — or one digital infrastructure — so that multiple departments or business units can access them efficiently. Instead of every

division running its own HR, finance, or IT team, a centralised unit takes care of it all. The result? Lower costs, faster processes, and far greater consistency across the business.

Over the past decade, this model has gone mainstream. From multinational corporations setting up hubs in India and Eastern Europe to mid-market companies exploring Global Capability Centers (GCCs), the shared service center is now a cornerstone of modern enterprise strategy.

What Is a Shared Service Center?

A **shared service center (SSC)** is a dedicated internal unit within an organisation that consolidates specific business functions to serve multiple departments, regions, or subsidiaries. Think of it as an internal service provider — one that operates with efficiency, consistency, and accountability.

Key Functions Handled by an SSC

Shared service centers typically cover a wide range of back-office and mid-office functions:

- **Finance & Accounting:** Accounts payable, receivable, payroll, financial reporting, and compliance.
- **Human Resources:** Talent acquisition, onboarding, employee data management, and L&D; support.
- **Information Technology:** Help desk support, infrastructure management, cybersecurity, and application management.
- **Legal & Compliance:** Contract management, regulatory reporting, and risk assessments.
- **Procurement:** Vendor management, purchase order processing, and supplier negotiations.
- **Customer Support:** Multi-channel support operations, CRM management, and quality assurance.

Benefits of Shared Service Centers

Benefit	What It Means for Your Business
Cost Efficiency	Eliminate redundancy across departments; pool resources strategically.
Process Standardisation	Uniform workflows reduce errors and ensure consistent quality globally.
Scalability	Quickly ramp up or down without rebuilding entire teams or functions.
Improved Control	Centralised oversight of data, compliance, and operational performance.
Technology Leverage	Deploy automation, AI tools, and analytics across a single shared platform.
Talent Concentration	Build deep expertise in one location instead of diluting skills across units.

Shared Service Center vs. Center of Excellence

One of the most common questions business leaders ask is: *should we set up a Shared Service Center or a Center of Excellence (CoE)?* The answer depends on what you are trying to achieve — and often, the two models work best when used together.

	Shared Service Center	Center of Excellence
Primary Goal	Operational efficiency	Innovation & thought leadership

Function Type	Transactional & support	Strategic & advisory
Focus	Cost reduction, standardisation	Best practices, capability building
Team Composition	Process specialists	Domain experts & researchers
Success Metric	SLAs, cost savings	Innovation output, quality uplift

For a deeper strategic comparison, explore this detailed resource on shared service center vs. center of excellence from Inductus GCC.

The Role of GCCs in Shared Services

Global Capability Centers (GCCs) represent the next evolution of the shared service center model. While traditional SSCs focus mainly on transactional efficiency, GCCs go further — combining shared services with R&D;, product development, analytics, and digital transformation capabilities.

A well-designed GCC does not just handle routine tasks. It becomes a strategic extension of the parent company, embedded with technology talent and leadership that can drive enterprise-wide change. Leading organisations that have embraced this approach report not only cost savings, but faster innovation cycles and improved customer outcomes.

If your organisation is exploring this path, Inductus GCC offers end-to-end advisory and implementation services to help you design, build, and scale a world-class capability center — aligned to your business goals.

The Build-Operate-Transfer (BOT) Model in SSC Setup

Setting up a shared service center from scratch is no small undertaking. The **Build-Operate-Transfer (BOT)** model offers a practical, low-risk approach that many enterprises are adopting today.

Build	A specialist partner sets up the SSC — handling legal entity formation, infrastructure, talent hiring, and process design.
Operate	The partner runs the center for an agreed period (typically 12–36 months), ensuring performance, compliance, and continuous improvement.
Transfer	Once stable and optimised, full ownership and control is transferred to the client organisation.

The BOT approach is especially popular among companies entering new geographies. Learn more about the strategic BOT model for GCC setup and how it de-risks your expansion.

The Business Case for Shared Service Centers

20–40%	**3x**	**60%+**	**2 Years**
Reduction in operational costs reported by mature SSC organisations	Faster process cycle times after standardisation and automation	Improvement in compliance accuracy through centralised controls	Typical payback period for SSC setup investment

For companies with multinational operations, the ROI becomes even more compelling. Centralised operations reduce duplication, allow smarter resource allocation, and create a platform for digital transformation. A well-run

SSC does not just save money — it becomes a growth enabler.

Explore the full business case for shared service centers in multinational operations to understand the financial and strategic dimensions in detail.

Industry Insights & Emerging Trends

The shared service center landscape is evolving rapidly. A few key trends are reshaping how enterprises think about centralised service delivery:

■ AI & Automation Integration

Robotic Process Automation (RPA) and AI are eliminating manual effort in finance, HR, and customer support — making SSCs even leaner and faster.

■ Mid-Market Adoption

Once the preserve of large corporations, SSCs and GCCs are now being embraced by mid-size companies seeking competitive parity. The mid-market GCC revolution is creating a new wave of global operators.

■ ESG & Governance

Centralised structures are making it easier to track and report on sustainability, diversity, and compliance commitments at scale.

■ Talent-Led Transformation

SSCs are no longer just cost centers — they are talent hubs, attracting skilled professionals in analytics, digital, and engineering.

Industry thought leadership highlights how mid-market companies are leading the next wave of GCC adoption. Simultaneously, enterprises globally are recognising that building a capability center is becoming a strategic imperative rather than a back-office efficiency play.

Why India Is the World's SSC Capital

■ **Talent Pool**	India produces over 1.5 million STEM graduates annually. This pipeline ensures SSCs in India have access to skilled finance, IT, and operations professionals at every level.
■ **Cost Advantage**	Operational costs in India are 60–70% lower than in Western markets — without compromising on quality, connectivity, or compliance standards.
■ **Innovation Ecosystem**	Cities like Bengaluru, Hyderabad, and Pune have emerged as global tech and innovation hubs, offering SSCs a fertile environment for digital transformation.

For companies considering India as their SSC or GCC destination, this comprehensive strategic guide to setting up a GCC in India in 2026 outlines every key consideration — from regulatory setup to talent strategy.

Scaling Innovation Like the Fortune 500

For years, large-scale shared service centers were the exclusive domain of global giants. Companies like GE, Citi, and Unilever built massive SSC and GCC networks that became genuine competitive advantages. Today, that

playbook is available to any company willing to think globally.

The key is having the right partner, the right infrastructure, and the right strategy. Whether you are a Series B startup looking to scale operations efficiently or a regional enterprise ready to go global, the path is clearer than ever.

Discover how your organisation can scale innovation like the Fortune 500 using proven GCC and SSC frameworks.

Conclusion

The shared service center is no longer just an operational convenience — it is a strategic asset. In an era of globalisation, digital disruption, and talent scarcity, centralising key functions allows businesses to move faster, spend smarter, and compete harder.

From cost savings and process standardisation to building genuine innovation hubs in high-talent markets like India, the SSC model has proven its value across industries, geographies, and company sizes.

The question is not whether your organisation should explore shared service centers — it is how quickly you can start building one that fits your strategy and ambitions.

Ready to Build Your Shared Service Center?

Connect with India's leading GCC advisory firm and take the first step toward operational excellence and global scale.

Explore more about shared service center solutions → **inductusgcc.com**